

REPORT TO THE CITY COUNCIL

BY THE CITY INTERNAL AUDITOR

SPECIAL REPORT

**PERSONNEL DEPARTMENT
REVIEW OF JOB DESCRIPTIONS, CLASS SPECIFICATIONS,
AND SALARY GRADES**

SR600098-08

NOVEMBER 17, 1998



November 17, 1998

Councilman James Green
Chairman, Shreveport City Council
P. O. Box 31109
Shreveport, LA 71130-1109

Dear Councilman Green:

Subject: SR600098-08 - Special Report: Personnel Department, Review of Job Descriptions,
Class Specifications, and Salary Grades

Attached please find the report mentioned above.

Sincerely,

Radford K. Snelding, CFE, CGFM, CIA
City Internal Auditor

LG:jm

**SPECIAL REPORT
PERSONNEL DEPARTMENT
REVIEW OF JOB DESCRIPTIONS, CLASS SPECIFICATIONS,
AND SALARY GRADES
INTERNAL AUDIT REPORT (IAR) SR600098-08**

OBJECTIVES

The Personnel Director requested that Internal Audit independently review job descriptions, class specifications, and salary grades for all Personnel Department employees, except the Personnel Director. Our primary objectives were to:

- ? Determine whether employees were properly classified.
- ? Determine if the class specifications could be revised to more accurately reflect the current composition of the staff.
- ? Ascertain if salary grades were equitably or fairly established by evaluating both internal and external salary data.

SCOPE AND METHODOLOGY

The major portion of our review was conducted in September 1998. The review procedures included, but were not limited to, the following:

- ? Comparing position descriptions to class specifications in order to evaluate if jobs were properly classified.
- ? Interviewing personnel concerning major duties and responsibilities.
- ? Reviewing records, reports, and other applicable documentation.
- ? Compiling and analyzing internal class specification and salary data.
- ? Compiling and analyzing external salary survey data with comparable entities.

BACKGROUND

Position (job) descriptions serve as a formal record of major duties and responsibilities assigned to a position. Each employee has a position description that serves as a basis for recording the responsibility and accountability delegated to an employee and for measuring the employee's performance. In the City, position descriptions are used for grouping positions into classes.

Class specifications (classes) serve as an orderly grouping of positions based on their duties, responsibilities, and qualifications. They are also used as a basis for comparative study in salary surveys and for work force analysis in the budget process.

SR600098-08
September 30, 1998

Salary grades are established under the City's classification pay plan and indicate the range of pay approved by the City for any particular class of work.

Job descriptions, class specifications, and salary grades were reviewed for eight employees in the Personnel Department. These eight employees are divided into two classes. Six employees are allocated to the Personnel Analyst III class at a salary grade of 14. These employees are assigned to the professional occupation federal job category. The remaining two employees are allocated to the Personnel Technician I class at a salary grade of 8. These employees are assigned to the technical occupation federal job category.

CLASSIFICATION OF EMPLOYEES

Our first objective was to determine if employees were properly classified.

From our interviews of personnel, reviews of documentation, and comparisons of position descriptions with class specifications, we believe that all employees in the Personnel Analyst III class were properly classified. Our comparison revealed that major duties and responsibilities as reflected in the position description for each employee matched the work summary functions outlined within the Personnel Analyst III class specification 65% to 80% of the time. Therefore, we believe these six positions are properly allocated to the correct class specification.

A comparison of job description to class specification for the Personnel Technician I position, however, reveals that the manner in which these positions are allocated to class specifications is not closely related. Our comparison revealed that, overall, only about 30% of the duties and responsibilities outlined in the position description can be matched to a related function in the class specification's work summary. Consequently, the duties and responsibilities of the position were determined to be inconsistent with the characteristics of the incumbent's class. This indicates that these positions are misclassified. From a review of established classes in the classification pay plan, we could not find a class specification that adequately defines the duties and responsibilities of these employees as documented by our review.

Therefore, we recommend that a new class specification be written for the Personnel Technician I position that more properly defines the duties and responsibilities of the incumbent as documented by the position descriptions.

SR600098-08
September 30, 1998

CLASS REVISION

Our second objective was to determine if the class specifications could be revised to more accurately reflect the current composition of the staff.

The current City of Shreveport Classification Plan divides Personnel Analyst work into three classes. The six current employees are in the third and highest or senior level class, Personnel Analyst III, to which Personnel Analyst positions are allocated. The other two levels, Personnel Analyst II and Personnel Analyst I, are unoccupied and because of changes in the department, are no longer necessary. The Personnel Analyst classes have not been updated since 1981.

We recommend that the unoccupied and unnecessary Personnel Analyst classes be deleted from the classification plan and the plan be revised and updated to reflect the current class composition for the Personnel Department. A class consolidation or revision of this type has been performed in the past for other classes, such as the inspector classifications. This class revision would result in one Personnel Analyst class. When redesigned, the remaining class specification should also be updated. We noted in objective No. 1 that the current Personnel Analyst III class, as written, is appropriate; however, since the class redesign is recommended to delete unoccupied and unnecessary classes, the Personnel Department should also make the requisite changes to the remaining class that would improve its accuracy (e.g., update class title, qualifications, some duties and responsibilities).

Similarly, the Classification Plan divides Personnel Technician work into two classes. The two current employees are in the first class to which Personnel Technicians are allocated, Personnel Technician I. The other level, Personnel Technician II, is unoccupied and because of changes in the department, is no longer necessary. The Personnel Technician classes have not been updated since 1981.

Within the first objective, we recommended that a new class specification be written for the Personnel Technician I position that more properly defines the duties and responsibilities of the incumbent as documented by the position descriptions. The two current classes, Personnel Technician I and II, should be deleted from the classification pay plan after the new class specification is written and properly approved.

SALARY GRADE ANALYSIS

Our final objective was to ascertain if salary grades in the Personnel Department were

SR600098-08
September 30, 1998

equitably or fairly established. We performed three analyses to evaluate salary grade data.

SR600098-08
September 30, 1998

First, we compiled external salary survey data from three comparable governmental entities to determine if the classes were within market standards. Because of its objectivity, we believe this analysis provides the most compelling evidence to determine fairness in salary grade position.

At **Table 1** below, the results of our *external salary survey* are shown for the Personnel Analyst III class. Based on this external analysis, which compares the City of Shreveport Personnel Analyst III salary range to the average salary range for three comparable governmental entities (Jackson, Mississippi; Little Rock, Arkansas; Baton Rouge, Louisiana), the Personnel Analyst III class within the City of Shreveport appears to be fairly compensated. The table shows that the minimum, midpoint, and maximum salaries for the Personnel Analyst III class for the City of Shreveport is within, at least, (+ or -) \$1,200 or 3.0% of the minimum, midpoint, and maximum average salary range for the three comparable entities.

TABLE 1
EMPLOYEE COMPENSATION EXTERNAL MARKET SURVEY
FOR THE PERSONNEL ANALYST III

<u>GOVERNMENT ENTITY</u>	<u>MINIMUM</u>	<u>MIDPOINT</u>	<u>MAXIMUM</u>
CITY OF JACKSON, MISSISSIPPI	\$26,048	\$34,119	\$39,657
CITY OF LITTLE ROCK, ARKANSAS	\$34,636	\$43,295	\$51,954
CITY OF BATON ROUGE, LOUISIANA	\$32,074	\$38,236	\$44,398
AVERAGE SALARY RANGE	\$30,919	\$38,550	\$45,336
CITY OF SHREVEPORT, LOUISIANA	\$30,427	\$37,391	\$45,642
DIFFERENCE	-1.6%	-3.0%	+0.6%

SR600098-08
September 30, 1998

At **Table 2** below, the results of our *external salary survey* are shown for the Personnel Technician I position. Based on this external analysis, which compares the City of Shreveport Personnel Technician I salary range to the average salary range for three comparable governmental entities (Jackson, Mississippi; Little Rock, Arkansas; Baton Rouge, Louisiana), the Personnel Technician I class salary range for the City of Shreveport appears to be **significantly below the average salary range** for other similar cities. The table shows that the minimum, midpoint, and maximum salaries for the Personnel Technician I class is below the average salaries of similar cities by **approximately 17.9%**.

TABLE 2
EMPLOYEE COMPENSATION EXTERNAL MARKET SURVEY
FOR THE PERSONNEL TECHNICIAN I

GOVERNMENT ENTITY	MINIMUM	MIDPOINT	MAXIMUM
CITY OF JACKSON, MISSISSIPPI	\$17,627	\$20,645	\$26,839
CITY OF LITTLE ROCK, ARKANSAS	\$23,470	\$29,337	\$35,204
CITY OF BATON ROUGE, LOUISIANA	\$22,463	\$26,779	\$31,094
AVERAGE SALARY RANGE	\$21,187	\$25,587	\$31,046
CITY OF SHREVEPORT, LOUISIANA	\$17,145	\$21,068	\$25,717
DIFFERENCE	-19.1%	-17.7%	-17.2%

The second analysis performed was an *internal salary comparison* of the difference between department head salaries and second tier level employees, along with corresponding ratios. **Table 3** on the following page shows the results of this review. An evaluation of the table shows that second tier level Personnel Department employees (Personnel Analyst IIIs) are paid, on average, only 50% of their department head's salary. In contrast, other second tier level employees, such as the City Attorney and Internal Audit Offices, are paid, on average, approximately 60% of their department head's salary. The City Attorney and Internal Audit Offices were specifically noted as subjects of comparison because these offices perform staff functions (as opposed to line functions performed by the other departments) similar to the Personnel Department. Based on this internal equity analysis, it appears that Personnel Analyst IIIs are compensated less than other second tier level employees within the City.

SR600098-08
September 30, 1998

TABLE 3

**ANALYSIS OF DIFFERENCE BETWEEN DEPARTMENT HEADS' SALARIES
AND SECOND TIER LEVEL EMPLOYEES, ALONG WITH CORRESPONDING RATIOS**

PERSONNEL ANALYST III

<u>DEPARTMENT</u>	<u>DEPARTMENT HEAD SALARY</u>	<u>SECOND TIER LEVEL SALARY</u>	<u>DIFFERENCE</u>	<u>RATIO OF SECOND TIER TO DEPT. HEAD</u>
SPAR	\$66,163	\$52,610	\$13,553	79.5%
FINANCE	\$80,381	\$61,466	\$18,915	76.5%
WATER & SEWER	\$74,656	\$56,518	\$18,138	75.7%
PUBLIC WORKS	\$81,307	\$58,707	\$22,600	72.2%
COMMUNITY DEVELOPMENT	\$76,424	\$53,999	\$22,425	70.7%
AIRPORT	\$75,031	\$50,800	\$24,231	67.7%
FLEET SERVICES	\$72,255	\$46,800	\$25,455	64.8%
CITY ATTORNEY	\$102,780	\$62,970	\$39,810	61.3%
INTERNAL AUDIT	\$71,599	\$43,378	\$28,221	60.6%
PERSONNEL	\$69,361	\$34,935	\$34,426	50.4%

The final analysis performed was an *internal equity analysis* among selected classifications. We compared certain job elements from selected classes to measure job relationships, i.e., how the Personnel Analyst III or Personnel Technician I classes stacked up to classes in higher grades in terms of job duties, responsibilities, and qualifications.

At **Table 4** (Appendix A), the internal equity analysis for the Personnel Analyst III is provided. Several significant points can be extracted from this table.

? Many of the classes on grades 16, 15, and 14 have wide levels of contacts (city

SR600098-08
September 30, 1998

officials, citizens, other city employees, subordinates, external parties).

- ? All classes on grade 14 and one class on grade 15 have no supervisory responsibility; however, all classes on grade 16 have supervisory responsibility.
- ? The consequence of error for the Personnel Analyst III on grade 14 is high compared to other higher grades. The City can be subject to costly liability if individuals in this class make mistakes or errors in carrying out their duties or responsibilities.
- ? A bachelor's degree in the appropriate field is required for all classes on grade 14. However, for many of the classes on grade 16, no college degree is required.
- ? No licenses or certificates are required for classes on grades 14 and 15. For grade 16, several of the classes require abilities to qualify for licenses or certificates.

Based on the internal equity analysis, it appears that the Personnel Analyst III class, although certainly responsible for many duties and tasks requiring much skill, knowledge, and ability to perform, is equitably positioned on the appropriate salary grade level in relation to other classes. A final evaluation of all three analyses performed for the Personnel Analyst III indicates that this position appears to be appropriately classed on grade 14.

The internal equity analysis for the Personnel Technician I is shown at **Table 5** (Appendix A). The important factor illustrated by this table shows that two other positions within the City have significantly the same duties and responsibilities as a Personnel Technician I. These positions are classed at levels at least three grades higher than the Personnel Technician I.

Based on both the external and internal equity analyses for the Personnel Technician I, it appears that the Personnel Technician I merits, at the least, a one level upgrade to grade 9.

RECAPITULATION OF RECOMMENDATIONS

- ? A new class specification should be written for the Personnel Technician I position that more properly defines the duties and responsibilities of the incumbent as documented by the position descriptions. The two current classes, Personnel Technician I and II, should be deleted from the classification pay plan after the new class specification is written and properly approved.

SR600098-08
September 30, 1998

? The Personnel Technician I class merits, at the least, a one level upgrade to grade 9.

SR600098-08
September 30, 1998

- ? The unoccupied and unnecessary Personnel Analyst classes (Personnel Analyst I and II) should be deleted from the classification plan and the plan should be revised and updated to reflect the current class composition for the Personnel Department. The Personnel Department should also make the requisite changes to the remaining Personnel Analyst class that would improve its accuracy (e.g., update class title, qualifications, some duties and responsibilities).

Prepared by:

Leanis L. Graham, CIA, CPA
Staff Auditor

Approved by:

Radford K. Snelding, CFE, CGFM, CIA
City Internal Auditor

LG:jm

c: Mayor
CAO
City Council
Clerk of Council
City Attorney
External Auditor